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Transit Financing Troubles in Mass.

It is no secret that the MBTA is in a major financial bind, mostly due to the State legislature trying to avoid its responsibilities. The MBTA debt is currently \$5.5 billion, 60% of which was transferred to it by the Legislature for Central Artery/Tunnel transit projects committed to by the Big Dig (the Legislature also essentially bankrupted the MassPike by imposing on it financial responsibility for the Big Dig).

The Legislature imposed Forward Funding in 2000 and fixed state revenue to the MBTA at 1 percentage point of the then-5 percent sales tax, which is cyclical—revenue drops during recessions, precisely when the MBTA has more need. Sales tax revenue growth has only averaged 0.03% annually, essentially flat, not even keeping pace with inflation. In 2009 the Legislature appropriated an additional \$160 million for the MBTA from the increase in the sales tax to 6.25%, but the appropriation is only one year at a time, negating longer-range planning by the MBTA.

For FY 2011, the MBTA will pay more in debt payments (\$472 million) than its fare revenues (\$450 million) and have an operating deficit of \$161 million. It will also have a \$4.5 billion liability for deferred maintenance and a \$1.3 billion liability for essential equipment replacement.

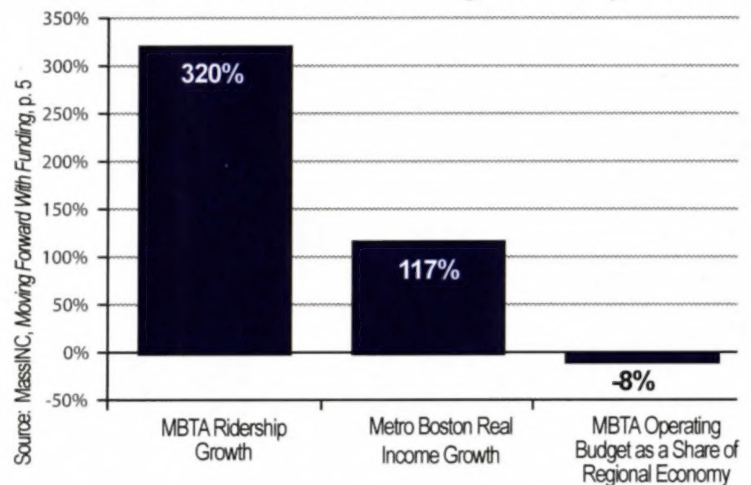
Fare increases alone cannot solve the problem, but simple solutions, such as modest fare increases coupled with money from increasing the gas tax (which has not been increased since 1991) have been rejected by the Legislature, as has applying money from an increased gas tax to repair and maintenance of the states decaying infrastructure (such as roads and bridges). Instead, think tanks such as MassInc. are suggesting a regional approach to financing transit (the MBTA is unusual in its

reliance on a statewide revenue stream) which could garner critical support from legislators outside the MBTA service area; direct road user fees such as a charge on vehicle miles traveled; and payroll tax.

Until a financial solution is reached, the MBTA will continue to deteriorate and certainly could not afford to undertake expansion projects such as the Green Line Extension to Medford or the South Coast Rail project to Fall River and New Bedford.

The 15 Regional Transit Authorities (RTAs) in the state were not subject to Forward Funding and are reimbursed by the state for up to 75 percent of operating expenses, the remainder coming from fares, local assessments, debt and federal funds (which are now drying up). All RTAs are experiencing severe financial problems.

MBTA Growth Relative to Greater Boston Regional Economy, 1980–2009



North Bank Bridge The fabulous new bridge connecting North Point Park in Cambridge to the proposed Charles River Conservancy skate park, Charlestown's Paul Revere Parks, and City Square is well underway, due to be complete in mid-June 2012. As reported in The Boston Informer (Fall 2009), the bridge, planned in 1981, became a Central Artery/Tunnel mitigation commitment, only to be shelved when money dried up. The Division of Conservation and Recreation will own the bridge and parks.

The steel truss bridge, designed by Ammann & Whitney, is 700 feet long and 12 feet wide that crosses the No. Station MBTA tracks and Millers River on the north side of the Charles River, across from No. Station. The walkway ("Littoral Way") that begins at Rutherford Avenue but is currently unusable because it dead-ends at the new bridge will provide access to the North Bank Bridge and the new park adjacent to the existing Paul Revere Landing Park at the Charlestown Bridge.

This one project was funded using most of the bike/ped American Recovery and Reconstruction Act funds obligated to-date by the Commonwealth. The current construction cost is \$27,983,664, about 9 percent less than the estimate.



Under construction: pedestrian/bike bridge that will connect Cambridge and Charlestown. View from Cambridge..

Room & Board May Transform 'Upper Newbury Street' –

Plans to renovate and build new on the building at 93 Massachusetts Avenue/407 Newbury Street have been proposed and revised for years. Now the developer, Kensington Realty Trust, may be simplifying the project by leasing the building to a single tenant, the Minnesota-based modern furniture store, Room & Board. The existing tenants (two restaurants and mattress and futon store) are reportedly preparing to close. The existing four-story building would be renovated including the addition of a new exterior.

Hayward Place – Finally! A perennial whipping boy of The Boston Informer because development of the open-air parking lot on Washington Street opposite the Ritz-Carlton has taken more the 30 years, a residential development is now under construction. Since 1980, development proposals for the parking lot have come and gone. Millennium Partners-Boston broke ground last month for a 15-story, \$220,000 million residential building with 256 residences and 9,700 s.f. of retail space and 125 underground parking spaces. Completion date in 2013. Architect: Handel Architects of New York.



Source: Millennium Partners

Under construction: 15-story, residential development at Washington Street and Avenue de Lafayette in Downtown Crossing.

Public Food Market for Parcel 7/Vent Building? –

After years of seemingly endless meetings, MassDOT and State Agricultural Commissioner Scott Soares are proposing a public food market at the Central Artery/Tunnel (CA/T) vent building at Haymarket MBTA station. MassDOT owns the building, constructed in the late 1990s for the CA/T, which houses the MBTA Haymarket station for the Orange and Green lines and a 310-space public parking garage. The building adjoins the Rose Fitzgerald Kennedy Greenway.

The public food market would carry local products (fish, produce, wine, cheese, etc.). Up to 100 vendors in 14,000 s.f. would occupy the ground floor of the building. The market would be open seven days a week, unlike the Friday and Saturday of the nearby Haymarket vendors. The plan would cost \$8.5 million, with the state paying \$4 million and the remainder to be raised by the entity chosen to operate the market. It is

hoped that construction could start in early 2012, with completion in late 2013. Floors two through five are designed for office use, and the second floor office may be taken by MassDOT for its own use.



Source: MassDOT

Big Dig vent building at Parcel 7 on the Rose Kennedy Greenway.

Hubway's Hidden City Subsidy – Reports about Boston's successful first four months of the Hubway bike share program cite the number of subscribers—3,600, ahead of expectations of 4,000 in 12 months—and 120,000 rides in the first 7 weeks, 140,000 rides in 17 weeks. Many of the reports, such as Tom Keane's op-ed piece in The Boston Globe, said no taxpayer money was used for Hubway.

Although the City may make no direct payment for Hubway, the City allows the use of up to 300 parking spaces—metered and unmetered—for Hubway stations. According to Boston Bikes, the City's division in charge of bike programs, about 20 Hubway stations required removing parking meters. An estimate of the lost revenue over a nine-month period (meters are to be restored when Hubway stations are removed for three months in the winter) is \$95,000. At issue is not the social value of bike riding versus auto parking but the assertion that the City is providing no grants to Hubway when it actually forgoing \$95,000 in meter revenue. Meanwhile, car share companies are not allowed to park any of their fleet on City streets and must find church parking lots or commercial lots for their cars.



J. Curtis photo

South Boston

West Broadway

Interstate

Colum

Remont St

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on Street

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Teet

Pier 4 Development Stirring

— Pier 4, well known for the legendary restaurant and series of disappointing development proposals, is now slated for Phase I development in spring 2012. The site has been owned by New England Development since Pier 4 owner Anthony Athanas lost his legal battle with the Chicago Pritzker brothers over development rights. The entire project was originally approved as part of the 2000 So. Boston Municipal Harbor Plan and by the Dept. of Environmental Protection in 2006. New England Development, with Hanover Co. of Houston, has filed for minor modifications to Phase I.

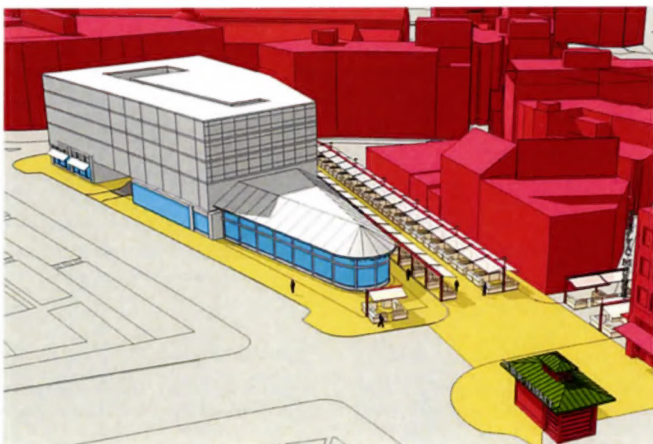
Phase I will include a 21-story tower with about 382 residential units, 11,000 s.f. of retail and a 258-space underground parking garage, plus a "Water Commons" harbor of the southwest side of the pier.

Later phases will replace the Pier 4 restaurant with a one-acre public park at the end of the pier (the restaurant may relocate on the pier), a second residential building, hotel and more retail.

Greenway Parcel 9 — The MassDOT Advisory Committee has proposed a plan to develop one-acre Parcel 9 (adjacent to the Parcel 7 vent building) and is seeking public comment. The plan entails a 70-foot-high food market building with an abutting low-level market hall for the existing Haymarket vendors who currently operate in the open air, with indoor and covered spaces some of Haymarket vendors might extend their operations beyond the Friday and Saturday current schedule.

MassDOT has appointed a Parcel 7/9 Advisory Committee, and a Public Market Commission has been holding community meeting for input on the kinds of foods the public would prefer. Local products are leading the preference poll.

If the Parcel 9 project goes forward, it would have to go through the Boston Redevelopment Authority's Article 80 large project review and zoning approval.



Proposed development at Parcel 9 between the Rose Fitzgerald Kennedy Greenway and Blackstone Street.

Source: MassDOT

What's Up?

1 Another BRA City Hall Plaza Study—The Boston Redevelopment Authority (BRA) has hired Utile for its umpteenth study of City Hall Plaza. This six-month, \$100,000 planning study will build on last year's EPA Greening America's Capitals study. Utile will work with an interagency team of BRA, Boston Transportation, Public Works, Parks, Property and Construction Management, and the City's Commission for Persons with Disabilities. Three public meetings are called for along with a slew of meetings with state and federal agencies.

The goal of this study of a previous study is to "frame and inform proposed projects on and bordering City Hall Plaza." Utile will be looking at concepts (no engineering or final design) for:

- Cambridge Street edge, including pedestrian and bicycle routes throughout the Plaza;
- Corn Hill Street and Washington Mall accessibility improvements and retail frontage improvements;
- City Hall entry;
- North Plaza conceptual plan, including the former fountain and border with JFK Building; and
- Public art coordination plan that will "coordinate an overall vision for public art on the Plaza"

Work products include rendered plans for the key elements.

2 Waterside Place—This project, located between Congress and Summer streets at the Boston Convention Center, was approved in 2007 with 209 housing units, a 300-room hotel, 640,000 s.f. of retail, a 20,000 s.f. visitor center, and a 2,350-space parking garage. Developer John Drew is planning to start construction in 2012 of a much downsized project: 236 apartments, 69,000 s.f. of retail, 13,000 s.f. "innovation center" and 275 parking spaces.

PEOPLE MOVERS

Julie Wormser is the new executive director of The Boston Harbor Association. Vivien Li is the president.

Jodi Wolin, from development director for the Boston Children's Chorus to director of development for the Rose Fitzgerald Kennedy Greenway Conservancy.

Jeffrey Mullan, from Mass. secretary of transportation to Foley Hoag LLC, whence he came.

Richard Davey, from MBTA general manager to secretary of transportation.

Jonathan Davis, MBTA CFO, is now the MBTA's acting general manager.

Frank DePaola, was named permanent MassDOT Highway Division administrator following an interim appointment.

Tina Brooks, from Mass. undersecretary of housing and community development to executive vice president for programs at Local Initiatives Support Corp., New York.

Fred Aufiero, from Kleinfelder/SEA to Aufiero Engineering and Consulting LLC

Cyndi Roy, from Regan Communications and formerly A & F spokesperson, to MassDOT Director of Communications.

Stephanie Neal-Johnson, from MBTA Director of Public Affairs and Community Relations to MassDOT Asst. Secretary/Chief of Staff.

John Weston, from Jacobs to HDR.

Robert Brown, from CBT Architects to Perkins+Will architects.

Maevy Vally-Bartlett, from acting director of MEPA to permanent MEPA Director.

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Welcome to

The Boston Informer

The goal is simple: Provide concise public information on construction projects, planning initiatives, and whatever else affects living and working in Boston. Welcome to The Boston Informer!

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Relaxed regulations are leading to a surge in food trucks in Boston...Beacon Hill will soon want its own.



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"Why don't we have one of these in
Louisburg Square?"

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You Were Asking

- Q. Are Segway tours still going through Boston parks and Harborwalk in spite of the City ordinance confining them to public roads and preapproved routes?**
- A.** Yes. Boston's Segway tour operators have been fined over \$75,000, but have not yet been taken to court over unpaid fines. The operators lost their suit against the City over the ordinance.
- Q. There's a lot of debate about the value of spending on public infrastructure. How many workers are employed per mile of road construction, for example?**
- A.** A recent New York magazine article reported that for every \$1 billion of federal highway spending, 13,962 induced jobs are supported including construction jobs and supporting industries. The \$1 billion creates 3,022 miles of roadway (resurfacing/freshening up roads, the easiest stimulus projects to get underway) and therefore each mile yields 9.2 jobs.
- Q. What are the old trolleys parked at Boylston station? And where does the track they're on go?**
- A.** The MBTA often has information and history tidbits at Boylston, one of its oldest stations. According to Bradley Clarke of the Boston Street Railway Assn., the older car, #5734, is owned by the Seashore Trolley Museum and was last used in 1997 for the 100th anniversary of the Tremont Street Subway. The other trolley is a 1951 PCC car that ran on the new Riverside Line when it opened in 1959. The historic trolleys are on an abandoned track that ran to South Boston via Broadway until 1953.
- Q. Is the proposed "Doc's" restaurant at the harbor end of Long Wharf now a dead issue?**
- A.** Not yet. Although a group of 10 North End residents won a lawsuit in Massachusetts Superior Court arguing the restaurant would interfere with peace and quiet, the BRA appealed to the Massachusetts Appeals Court reverse the decision. The Eat Drink Laugh Restaurant Group was selected in December 2006 to develop the site.